

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

LOANS AND ADVANCES – House Building Advance of Rs.4.00 Lakhs to Sri G.V.Rama Mohan Rao, Assistant Section Officer, Higher Education Department towards construction of new house - Sanctioned – Orders – Issued.

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HIGHER EDUCATION (OP) DEPARTMENT

G.O.Rt.No. 227

Dated 23<sup>rd</sup> March, 2009

Read the following: -

1. G.O.Rt.No.2256, Finance (A&L) Department, dated 22-04-2008.
2. G.O.Rt.No.3111, Finance (A&L) Department, dated 21-07-2008.
3. G.O.Rt.No.4193, Finance (A&L) Department, dated 25-10-2008.
4. G.O.Rt.No.463, Finance (A&L) Department, dated 09-02-2009.
5. G.O.Rt.No.159, Higher Education (OP) Department, dated 02-03-2009.
6. From Sri G.V.Rama Mohan Rao, ASO, Application dated 18-12-2009.

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O R D E R: -

Under the provisions of Rule 5 (a) (i) (ii) and (iii) of the rules for the grant of a loan to Government Servants for house building purpose issued Finance (A&L) Department in the G.Os 1<sup>st</sup> to 4<sup>th</sup> read above, sanction is accorded for payment House Building Advance of Rs.4,00,000/- (Rupees Four Lakhs only) to Sri G.V.Rama Mohan Rao, Assistant Section Officer, Higher Education Department, A.P.Secretariat, Hyderabad, towards construction of new house at Sy.Nos.166-170, Plot No.31 North Part, Bagh Hayathnagar Village, Hayathnagar Mandal, Ranga Reddy District as detailed below: -

(i) An amount of Rs.1,30,000/- (Rupees one lakh and thirty thousands only) shall be paid to the loanee towards 1<sup>st</sup> installment of House Building Advance for construction of house on executing the agreement bond in the prescribed form (i.e. Form No.IV) for the repayment of advance. The loanee shall construct the house as per approved plan within two months from the date on which the above advance is drawn, failing which the loanee shall be liable to refund at once the entire amount to Government together interest thereon.

(ii) An amount of Rs.1,35,000/- (Rupees one lakh and thirty five thousands only) being the 2<sup>nd</sup> installment, shall be paid to the loanee towards the construction purpose on his mortgaging the land (in Form / VII) along with the house to be built, thereon in favour of Government.

(iii) An amount of Rs.1,35,000/- (Rupees one lakh and thirty five thousands only) shall be paid to the loanee towards 3<sup>rd</sup> and final installment after the construction of the building is reached the roof level provided the department are satisfied that the development of the area in which the house is built is complete in respect of amenities such as water, lighting, roads, drainage etc.

2. Accordingly, sanction is accorded for payment of Rs.1,30,000/- (Rupees one lakh and thirty thousand only) being the 1<sup>st</sup> installment. The amount shall be paid in cash to the individual on executing surety and agreement bonds.

3. The grant of advance in Para (1) above is subject to the following conditions:

- (i) The recovery of total advance granted shall be commenced from the 18<sup>th</sup> month from the month in which the first installment is drawn or from the month following completion of the house, whichever is earlier. The advance shall be recovered from the pay of the individual in 120 monthly instalments i.e. at Rs.1,350/- in the 1<sup>st</sup> installment and thereafter @ Rs.3,350/- from 2<sup>nd</sup> to 120 installments. It is open to the Government servant to repay the amount in shorter periods, if he so desires.
- (ii) The advance carries a simple interest @ 8 1/2% per annum as prescribed by the Government.
- (iii) The entire amount of interest will be recovered in 48 monthly installments after the completion of the principal amount.

4. The grant of the advance is also subject to the following conditions: -

- (i) The construction of the house shall be carried out exactly in accordance with the approved plan with specifications on the basis of which the advance has been computed and sanctioned. The plan and specifications must not be departed from without prior concurrence of the Government. The guarantee shall certify while applying for second and third installments that the construction is being carried out strictly in accordance with the plan and specifications furnished by him to the Government and the amount already drawn has actually been utilized for the construction of the house.
- (ii) The construction of house shall be completed within 18 months (Eighteen months) from the date on which the 1<sup>st</sup> installment is drawn by the loanee, failure to do so, will render the grantee liable to refund the entire amount of advance together with interest thereon in one lumpsum. The date of completion of the house should be reported to the Government immediately after its completion.
- (iii) The loanee shall insure the house immediately on completion of construction, at his own cost for the sum not less than the amount of the advance with interest due

thereon and shall keep the house so insured against, damages by fire, flood, cyclone and lightning year after year for a sum not less than the balance amount of the loan and interest due thereon is fully repaid to Government and deposit the policy with Government.

- (iv) The loanee should maintain the house in good condition and carry out repairs at his own cost and he shall continue to pay all municipal and local taxes regularly until the advance together with interest due thereon has been repaid in full.
- (v) The loanee shall keep the building free from all encumbrances.
- (vi) Any amounts drawn in excess of the expenditure incurred by the loanee should be refunded by him to the Government together with interest, if any, due thereon forthwith; and
- (vii) The insurance policy taken by the grantee in respect of the house should be forwarded to Government together with the letter addressed in the form prescribed to the insurance company notifying to the company that the Government are interested in the policy insured.
- (viii) The loanee should repay the entire amount together with interest by the time of his retirement failing which his pension will not be released.
- (ix) In case the grantee does not repay the balance of the advance due to Government on or before the date of retirement, it shall be open to the Government to enforce the security, of the mortgage at any time thereafter and recover the balance of the advance due, together with interest and cost of the recovery by sale of the house or in such other manner as may be permissible under the law.
- (x) If the grantee ceased to be in service for any reason other than the normal retirement / superannuation or if he dies before the repayment of the advance in full, the entire outstanding amount of the advance shall become repayable to the Government forthwith, failure on the part of the grantee or his successors to repay the advance for any reason whatsoever will entitle the Government to enforce the mortgage or to take such other action as may be permissible under law.
- (xi) The property mortgaged to Government shall reconveyed to the grantee (or his successors in interest as the case may be) after the advance with the interest thereon has been repaid to Government in full.

5. The advance sanctioned in Para (1) shall be met from the funds released to Education Department in G.O.Rt.No.2256, 3111, 4193 and 463, Finance (A&L) Department, dated 22-04-2008, 21-07-2008 25-10-2008 and 09-02-2009 out of which a

sum of Rs.4.00 Lakhs has been earmarked to Higher Education Department, Secretariat vide G.O.Rt.No.159, dated 02-03-2009 and shall be debited to "7610-Loans to Government Servants – 201 – House Building Advance – SH (05) Loans to other Officers".

6. This order does not require the concurrence of Finance (A&L) Department under the rules in force.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

ASUTOSH MISHRA,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To  
The individual concerned.  
The Higher Education (Claims) Department.  
The Deputy Pay and Accounts Officer, Secretariat, Hyderabad.  
Copy to:-  
The Accountant General, Andhra Pradesh, Hyderabad.  
The Finance (A&L) Department, Hyderabad.  
SF/SCs.

// FORWARDED :: BY ORDER //

SECTION OFFICER